

Club members who give half their money away

By Jill Tucker, Chronicle Staff Writer

Most people give away at least some of their hard-earned cash.

Maybe they drop a few coins in the red kettles at Christmas, write a check now and then to the local food bank or the school fundraiser or throw some cash into the Sunday collection basket.

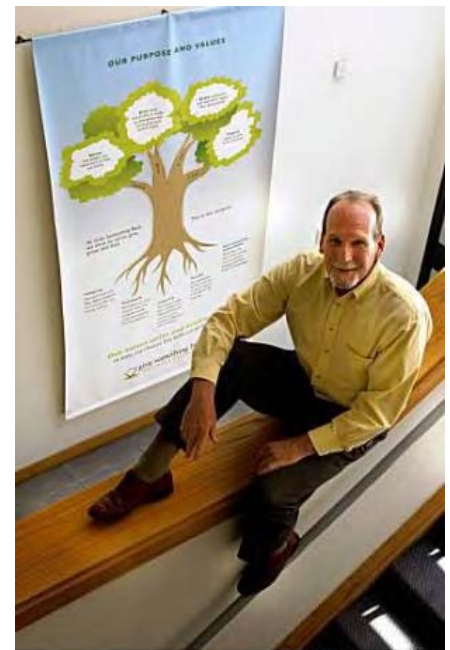
Berkeley's Mike Hannigan gives most of his money away.

It started in 1991. He had about \$20,000 in his bank account and thought about all the good it could do in the world. But he decided not to give it away. Instead, he took a cue from actor Paul Newman. With partner Sean Marx, he started Give Something Back Inc., an office supply firm that now gives away up to 80 percent of its profit.

The company has given away about \$4 million to community charities over the last 18 years.

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Liz Hafalia / The Chronicle

Mike Hannigan at his company: Give Something Back, Inc., in Oakland, Calif., on Wednesday, July 1, 2009. He's among a new crop of people finding ways to give significant funds to community needs. Called "Bolder Givers," they give at least 50 percent of their income, profits or net worth away.

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that others will take a closer look at how much they give and how much more they could afford to contribute.

"How do people figure that out? It's a question everyone wrestles with," said Anne Ellinger, who started the organization with her husband Christopher. "There are not nearly enough inspiring role models."

Every year, the average U.S. household donates about 3 percent of its income. Yet deep in the heart of this recession there is a growing group giving away at least half of what they've got.

Currently, 125 individuals or families are on the 50 percent club list and Bolder Giving, based in Arlington, Mass., is looking for more members.

At Hannigan's Oakland-based company, the vast majority of the profits go to charities selected by customers and employees. Food banks and education-related organizations are among the most frequent recipients, Hannigan said.

It's a way "to use the business as a mechanism to circulate wealth throughout the community," he said.

The 59-year-old businessman doesn't consider himself a philanthropist, but an activist who lives a comfortable life.

"I do my community work during business hours," he said. "I get paid to do it. I give at the office."

For many of the 125 individuals or families in Bolder Giving's 50 percent club, the giving doesn't necessarily mean much sacrifice.

Joani Blank, for example, is not technically poor.

The founder of the sex toy company Good Vibrations, Blank, 72, has a decent-size trust for her daughter and grandchildren as well as enough for any health needs she might have. In the meantime, she lives on less than half the \$60,000 or so she gets in payments from the sale of Good Vibrations. She gives away the rest.

"The reason I have it to give away is by being frugal," she said. "Every penny I don't spend on tonight's dinner goes into my philanthropy fund."

At the end of every year, she writes a very large check to a nonprofit investment fund and then over the next several months doles it out to various social change groups focusing on advocacy and solutions to systemic problems. She avoids direct service charities like food banks.

Across the country, total annual giving reaches more than \$300 billion or 2 percent of the gross domestic product - 75 percent of it coming from individuals, said Melissa Brown, associate director of research at the Center on Philanthropy at Indiana University.

In the 1990s, the rise of Silicon Valley techie millionaires or billionaires created a generation

of individuals looking to share the wealth.

"A lot of people started saying I have more money than I know what to do with," Brown said. "They started giving money away in big chunks."

And, like Bolder Giving, they encouraged others to do the same.

As the country sits in the middle of a recession, Anne Ellinger acknowledges that an organization like Bolder Giving - encouraging much greater giving - is a bit counterintuitive.

"There's nothing to counteract a feeling of scarcity like generosity," she said. "But every day I think this is a strange message to put out now." ■